

CITY COUNCIL REPORT



MEETING DATE: JULY 7, 2004

ITEM NO. 18 GOAL: Coordinate Planning to Balance Infrastructure

SUBJECT Amendment to Lund Vehicle Demonstration Trail Lease Agreement

REQUEST Request to approve minor amendments to the Lease Agreement to reflect Site Plan refinements at the Lund dealership

Key Items for Consideration:

- As the site plan details for the Lund dealership have evolved, there was a need to update the lease agreement in order to reflect the refinements in the site plan.

Related Policies, References:

20-ZN-2002 (Stacked 40s)

OWNER City of Scottsdale

APPLICANT CONTACT

LOCATION Northeast corner of Scottsdale Road and Union Hills Road

BACKGROUND **Zoning.**
The site is zoned PCD with C-4 as the analogous district, which allows for the automotive dealership.

Context.

The lease agreement is for the use by the new Lund dealership of property that the city has acquired in order to install a regional drainage facility. The lease agreement provides the opportunity for the dealership to improve, use and maintain a portion of this drainage facility as an off-road demonstration trail, parking and related landscaping. To the north is the Loop 101 freeway and to the east are State Lands zoned for future business uses.

PROPOSAL **Purpose of Request.**
The original lease agreement, approved in November of 2002, was based on preliminary sketch plans for the future dealership. The more detailed plan that was approved by the Development Review Board included some minor refinements and details that need to be reflected in the detailed language of the agreement. These updates focus on the ability to park vehicles within the lease area, the consideration of low scale landscape lighting and the allowance to construct a security wall of reasonable height.

Key Issues.

The site plan and elevations for the new Lund dealership were recently approved by the Development Review Board. Construction plans will be reviewed over the next several weeks and construction of this facility will likely start in the early Fall.

IMPACT ANALYSIS

There will be no discernable impacts to the community with this action. These amendments will further the ability of the new dealership to be viable and competitive in the marketplace.

STAFF**RECOMMENDATION****Recommended Approach:**

Staff recommends approval.

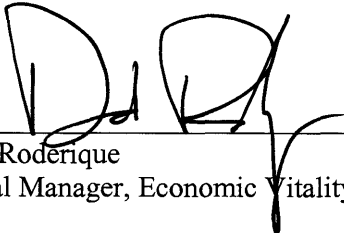
RESPONSIBLE**DEPT(S)**

Planning and Development Services Department

STAFF CONTACT(S)

Donald Hadder, Sr.; Principal planner
480-312-2352
E-mail: dhadder@ScottsdaleAZ.Gov

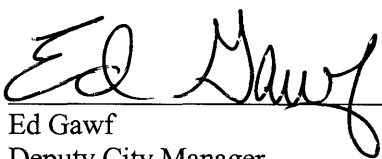
APPROVED BY


David Roderique
General Manager, Economic Vitality

6/21/04
Date


Kroy Elblaw
General Manager, Planning & Development Services Department

6/21/04
Date


Ed Gawf
Deputy City Manager

6/22/04
Date

ATTACHMENTS

1. Resolution No. 6509
Exhibit 1. First Amendment to Vehicle Demonstration Trail Lease Agreement

RESOLUTION NO. 6509

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE FIRST AMENDMENT TO VEHICLE DEMONSTRATION TRAIL LEASE AGREEMENT NO. 203-098-COS.

WHEREAS, in light of the City of Scottsdale's design review board's approval of case No. 44-DR-2003, Lessor and Lessee have determined that the purposes of Vehicle Demonstration Trail Lease Agreement No. 203-098-COS between the City and North Scottsdale CAD L.L.C. can be better achieved if certain changes are made to the Original Agreement.

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. The Mayor is hereby authorized to execute on behalf of the City of Scottsdale the First Amendment to Vehicle Demonstration Trail Lease Agreement made this ____ day of _____, 2004.

PASSED AND ADOPTED by the Council of the City of Scottsdale this ____ day of _____, 2004.

Mary Manross, Mayor

ATTEST:

By: _____
Carolyn Jagger, City Clerk

APPROVED AS TO FORM:

By: 

Joseph R. Bertoldo, City Attorney

WHEN RECORDED RETURN TO:

City of Scottsdale
One Stop Shop/Records
(Ron King)
7447 E. Indian School Road, Suite 100
Scottsdale, AZ 85251

C.O.S. Contract No. 2003-098A-COS

FIRST AMENDMENT TO VEHICLE DEMONSTRATION TRAIL LEASE AGREEMENT

THIS FIRST AMENDMENT TO VEHICLE DEMONSTRATION TRAIL LEASE AGREEMENT (the "Amendment") is made this ____ day of _____, 2004 by and between the City of Scottsdale, an Arizona municipal corporation ("Lessor") and North Scottsdale CAD L.L.C., an Arizona limited liability company ("Lessee").

W I T N E S S E T H

A. Lessor is the owner of certain real property (the "Premises") described on Exhibit "A" attached hereto.

B. Lessor and Lessee are parties to that certain Vehicle Demonstration Trail Lease Agreement dated May 12, 2003 and recorded May 12, 2003 at document No. 2003-0602836 of the public records of Maricopa County, Arizona (the "Original Agreement").

C. Lessor is the original lessor and Lessee is the original lessee under the Original Agreement.

D. In light of the City of Scottsdale's design review board's approval of case No. 44-DR-2003 (the "DR Case"), Lessor and Lessee have determined that the purposes of the Original Agreement can be better achieved if certain changes are made to the Original Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual promises and representations contained herein, Lessee and Lessor agree as follows:

1. Parking. The following is appended to the end of paragraph 4.2.5 of the Original Agreement:

Notwithstanding the preceding sentence, Lessee may park employee and customer vehicles on the "Vehicle Parking" area shown on the Site Plan and on other areas of the Premises outside of the vehicle demonstration trail. Such parking shall be only for vehicles that are operable under their own power and there will be no material visible body, paint or glass damage on the vehicles.

2. Parking. The following sentence is appended to the end of paragraph 4.5 of the Original Agreement:

Notwithstanding the preceding sentence, Lessee may install low level lighting for the vehicle demonstration trail. The lighting shall be bollard or landscape lighting

not higher than 6 feet above the ground surface, directed toward the ground, and subject to Lessor approval. Lessee may also install display lighting for the Vehicle Display Pad in accordance with the lighting approved in the DR Case.

3. Fences. Paragraph 4.8 is hereby amended to state as follows:

4.8 Fences. Lessee shall install no fences upon the Premises or upon the boundary between the Dealership Parcel and the Wash Parcel. Notwithstanding the preceding sentence, Lessee shall cause the following fences and walls (collectively the "Perimeter Fences") to be installed and maintained upon the Premises and adjacent property:

4.8.1 A safety railing fence along the Wash Parcel frontage on Union Hills Road if such a fence is required for safety as reasonably determined by Lessor in light of the safety issues raised by proximity of Union Hills Road to the Drainage Work.

4.8.2 A six (6) to eight (8) foot tall solid wall across the Wash Parcel from east to west adjacent to the south end of the trail. The western end of such wall shall extend northward along the boundary of the Wash Parcel to the northeast corner of the Dealership Parcel as shown on the Site Plan, and the eastern end of such wall shall extend northward along the boundary of the Wash Parcel to the northeast corner of the Wash Parcel as shown on the Site Plan.

4.8.3 A six (6) to eight (8) foot tall solid wall between the service areas of the Dealership Parcel and the Wash Parcel.

4.8.4 Six (6) to eight (8) foot tall solid walls as may be required to screen vehicle parking areas from the freeway.

4.8.5 A safety fence (such as post-and-chain or post-and-cable) along the remainder of the east boundary of the Wash Parcel.

4. DR Lighting Approval. Lessor consents to the trail and display lighting approved in the DR case.

5. Recording. Within ten (10) days after the date of this Agreement, Lessee shall cause this Agreement to be recorded in the office of the Maricopa County Recorder.

6. No Further Amendment. Except as expressly amended by specific provisions of this Amendment, the Original Agreement and the parties' respective rights and obligations related to the Original Agreement are not affected by this Amendment.

7. Lessee's Prior Assignees. Lessee warrants and represents that there are no persons who have or claim a lien, lease, easement or other interest in any other part of the Premises as of the date of this Amendment.

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Mary Manross, Mayor of the City of Scottsdale, an Arizona municipal corporation.

Notary Public

My Commission Expires: